

Results Presentation



M. Dias Branco

The statements contained in this document related to the management's perspectives on M. Dias Branco's business are merely trends and, as such, are based exclusively on the management's perspectives on the continuity of past and present actions, and on facts that have already occurred. These trends do not constitute projections or estimates and can be substantially altered by changes in market conditions and in the performance of the Brazilian economy, the sector and international markets.

2021 | R\$7.8 billion in net revenue, an all-time record!!!



- **Net Revenue** increases **7.7%** in 2021 (+27.2% in 4Q21 versus 4Q20), with average price increase and decline in volume;
- National leader in Cookies & Crackers and pasta, with **32.5%** and **30.0% market share**, respectively. Retraction versus end of 2020 and recovery versus 3Q21;
- **Costs increased** in the year due to the **4.6% devaluation of the Real**, a **23.1% increase in wheat** and a **49.2% increase in palm oil**, both in US dollars;
- **Selling and administrative expenses** accounted for **21.0% of net revenue in 2021** (24.3% in 2020). The decrease is structural and resulting from recent productivity and efficiency programs;
- **EBITDA of R\$ 683.9 million** in 2021 (-29.8% vs. 2020) and R\$ 182.7 million in 4Q21 (-4.9% in 4Q20). The decrease is mainly due to high commodity prices in U.S. dollars and non-recurring tax credits recognized in 2020 results;
- Cash generation of **R\$960 million** in 2021 (**+41%** versus 2020), with a relevant contribution from the releasing of R\$284 million of working capital;
- Leverage of **0.2x** (net debt/LTM EBITDA), down from 0.4x in 2020;
- **1st issue of CRAs in March 2021**, totaling **R\$ 811.6 million** (three times the initial value) with a rating AAA and a stable outlook certified by Fitch Ratings and Green Seal;

4Q21 and 2021 Other Highlights and Results



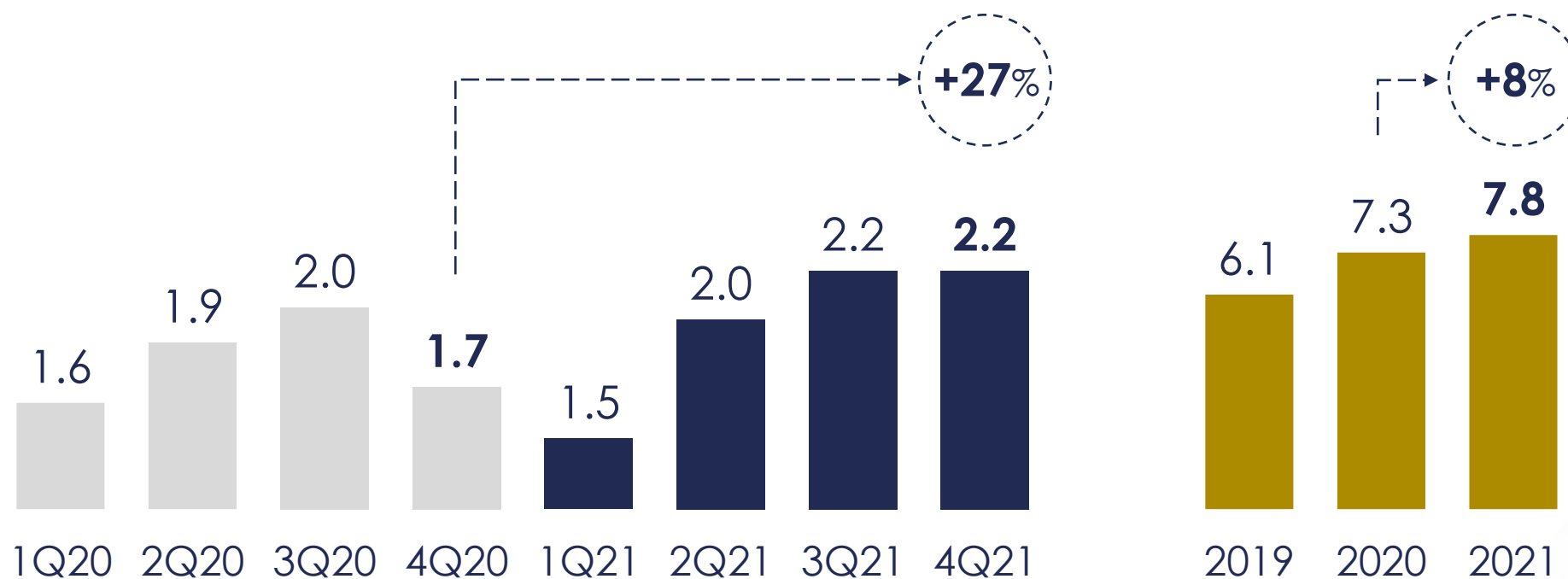
- **ISE**, for the **second time** we are part of B3's Corporate Sustainability Index;
- **New sustainability agenda** with commitments planned for 2030;
- **Latinex acquisition**, which introduces in our portfolio high value-added items with accelerated growth potential;
- **Marketing investments**, such as Adria's "A vida acontece nos detalhes", Piraquê's "Criações Originais" and "Comida di Buteco" campaigns, and Richester's "Chocowafer Chocolate de Verdade" campaign
- **Launching of high value added products**, like Piraquê's Potato Snacks (R\$39.0/kg)
- **Awards in 2021:**
 - Best company in the Brazilian Food category (The Best of Dinheiro Award)
 - Top of Mind 2021 (Folha Award)
 - Transparency Trophy 2021 (ANEFAC-FIPECAFI Award) for the fifth consecutive year
 - Largest food industry in the Northeast (Valor 1000 Award)
 - Ranking 100 Open Startups 2021

RESULTS 2021 & 4Q21

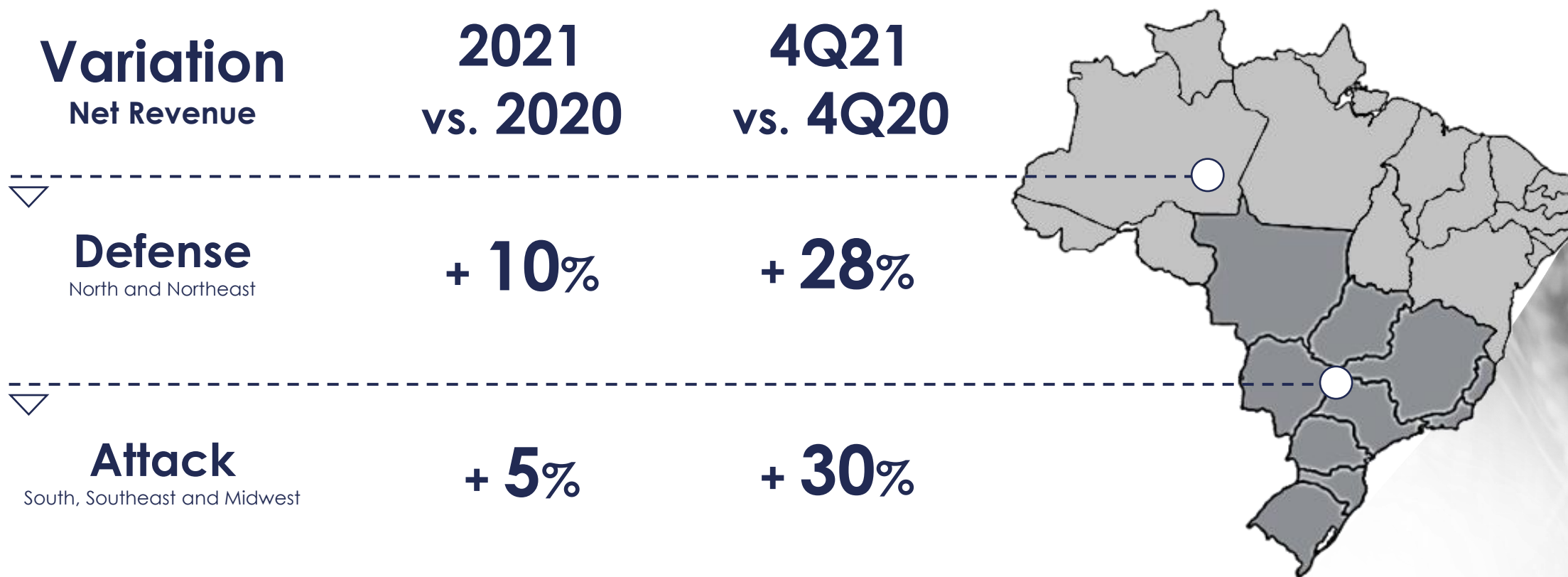
Net Revenue of R\$ 7.8 billion in 2021 | All-time record with recovery over the year.

4Q21 increases 27% versus 4Q20

Net Revenue (R\$ billion)



Aligned with our strategy, net revenue increased in both commercial areas in Brazil (Defense and Attack)

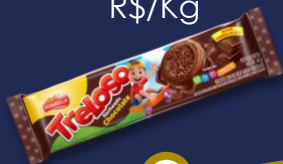


Increase in the average price over the year, with contribution from the new launches of items with higher added value

Average price
Launche
 (R\$/Kg)



9.3
 R\$/Kg



24.5
 R\$/Kg



39.0
 R\$/Kg



21.9
 R\$/Kg



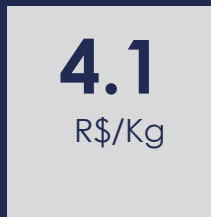
21.8
 R\$/Kg



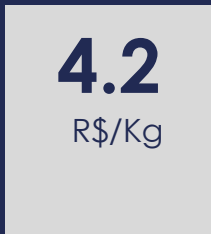
Average price
M. Dias Branco
 (R\$/Kg)



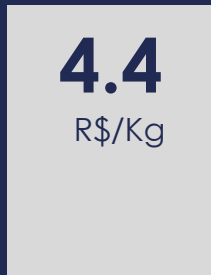
4.1
 R\$/Kg



4.2
 R\$/Kg



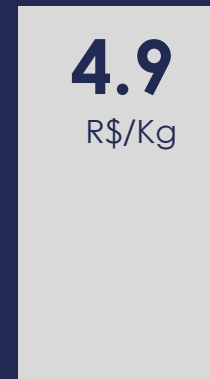
4.4
 R\$/Kg



4.8
 R\$/Kg



4.9
 R\$/Kg



4Q20

1Q21

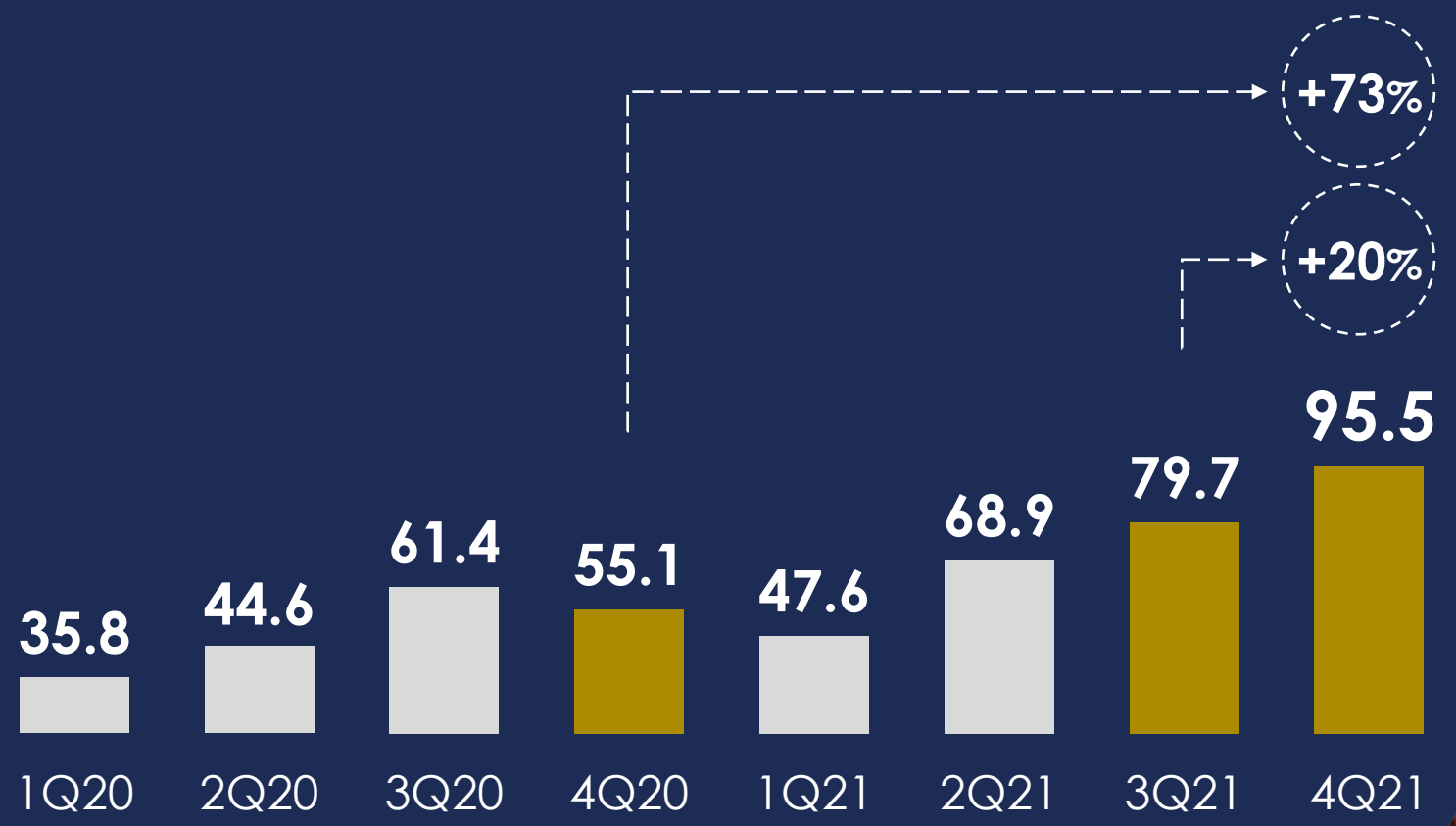
2Q21

3Q21

4Q21

Innovation in Cookies & Crackers | All-time Record in Gross Revenue of New Cookies & Crackers!!!

Gross Revenue Launches Cookies Category (R\$ million)



* Products / Flavors Launched in the Last 24 Months

Marketing investments to leverage sales, strengthen brands, and support product launches



“Piraquê in Big Brother”
 “Batatismo”
 “Comida de Buteco”
 (Buteco Food)



“Vitarella in Big Brother”
 “Delicitá Cristal”
 “Campaing Cream Cracker”



“Real Chocolate”
 “Campaing Chocowafer”



Latinex acquisition (Nov/21) reinforcing its presence in the healthy foods and snacks segment, in addition to entering the seasoning, sauces and condiments segments

Latinex
brands



Healthy Foods



Snacks



Salts and Spices



Sauces and Condiments

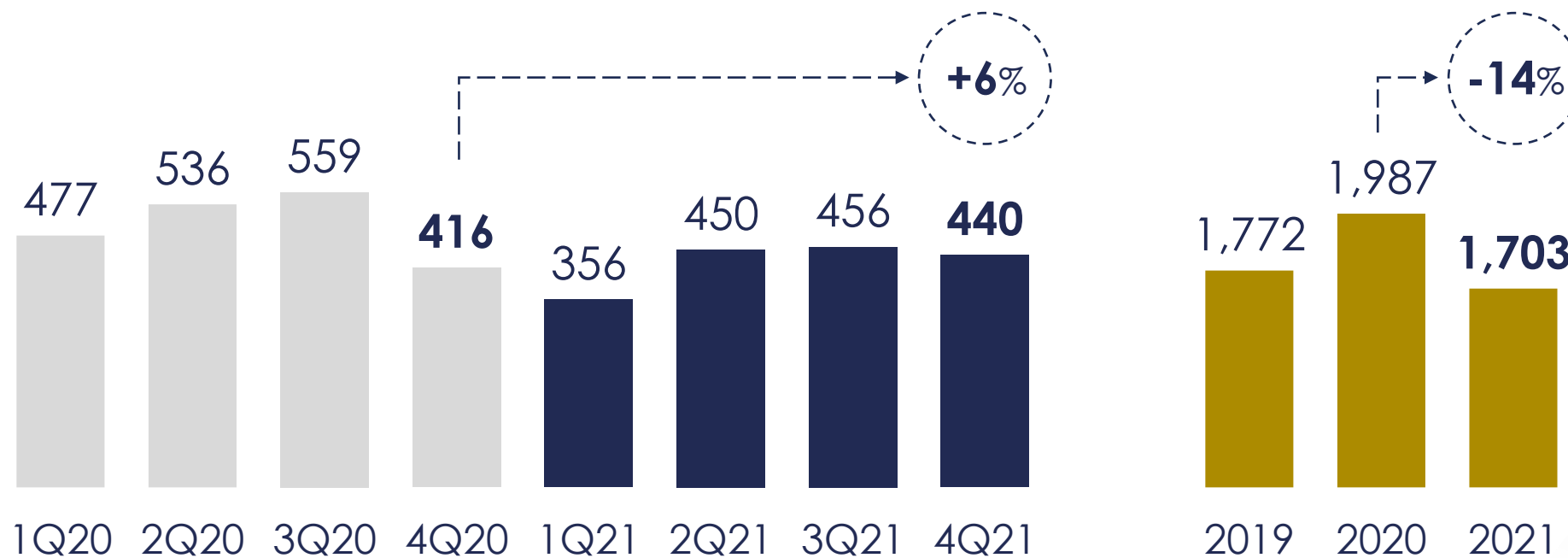
Tyrrells
hand-cooked English crisps

Handicraft Potato Chips
(Licence Distribution)

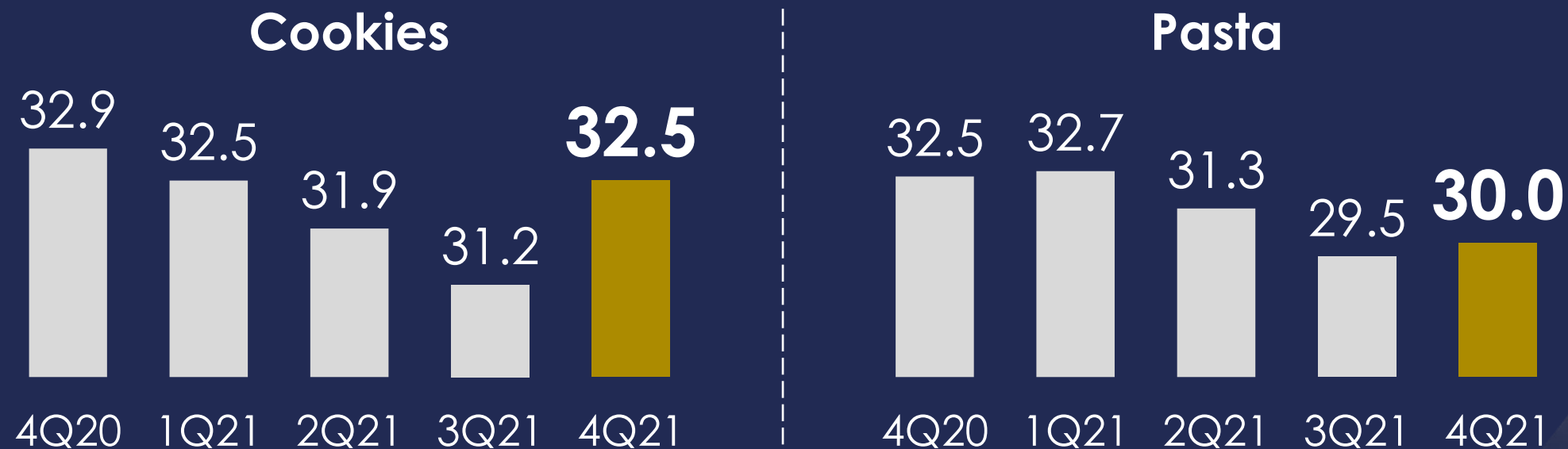


Retraction in volumes in the year, as a result of weaker results in 1Q21, with recovery in 4Q21...

Volume (thousand ton.)



Recovery of market share in the short term



Operating Categories 2021 vs. 2020



Net Revenue
(R\$ million) **+7.7%**
R\$ 7,814

Sales Volume
(Thousand ton.) **-14.3%**
1,703

Average Price
(R\$/Kg) **+25.8%**
R\$ 4.6

COOKIES & CRACKERS

NET REVENUE

+7.0%
R\$ 3,960

SALES VOLUME

-9.6%
519

AVERAGE PRICE

+18.3%
R\$ 7.6

PASTA

NET REVENUE

+1.5%
R\$ 1,713

SALES VOLUME

-17,3%
373

AVERAGE PRICE

+22.7%
R\$ 4.6

WHEAT FLOUR AND BRAN

NET REVENUE

+9.9%
R\$ 1,426

SALES VOLUME

-17.1%
709

AVERAGE PRICE

+32.2%
R\$ 2,0

MARGARINE AND VEGETABLE SHORTENING

NET REVENUE

+29.7%
R\$ 546

SALES VOLUME

-4.8%
86

AVERAGE PRICE

+36.2%
R\$ 6.4

OTHERS

NET REVENUE

+16.6%
R\$ 169

SALES VOLUME

+0.6%
16

AVERAGE PRICE

+15.9%
R\$ 10.6

Operating Categories 4Q21 vs. 4Q20



Net Revenue
(R\$ million) **+27.2%**
R\$ 2,165

Sales Volume
(Thousand ton.) **+5.8%**
440

Average Price
(R\$/Kg) **+20.3%**
R\$ 4.9

COOKIES & CRACKERS

NET REVENUE

+31.9%
R\$ 1,115

SALES VOLUME

+11.0%
140

AVERAGE PRICE

+18.7%
R\$ 7.9

PASTA

NET REVENUE

+23.9%
R\$ 480

SALES VOLUME

+7.5%
102

AVERAGE PRICE

+15.1%
R\$ 4.7

WHEAT FLOUR AND BRAN

NET REVENUE

+17.5%
R\$ 356

SALES VOLUME

+4.5%
171

AVERAGE PRICE

+12.4%
R\$ 2.1

MARGARINE AND VEGETABLE SHORTENING

NET REVENUE

+23.3%
R\$ 163

SALES VOLUME

-16.1%
22

AVERAGE PRICE

+46.9%
R\$ 7.3

OTHERS

NET REVENUE

+49.0%
R\$ 52

SALES VOLUME

+2.4%
4

AVERAGE PRICE

+45.5%
R\$ 12.0

Operating Categories 4Q21 vs. 3Q21



Net Revenue
(R\$ million) **-0.7%**
R\$ 2,165

Sales Volume
(Thousand ton.) **-3.6%**
440

Average Price
(R\$/Kg) **+2.9%**
R\$ 4.9

COOKIES & CRACKERS

NET REVENUE

-1.3%
R\$ 1,115

SALES VOLUME

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R\$ 163

SALES VOLUME

-7.4%
22

AVERAGE PRICE

+8.8%
R\$ 7.3

OTHERS

NET REVENUE

+19.1%
R\$ 52

SALES VOLUME

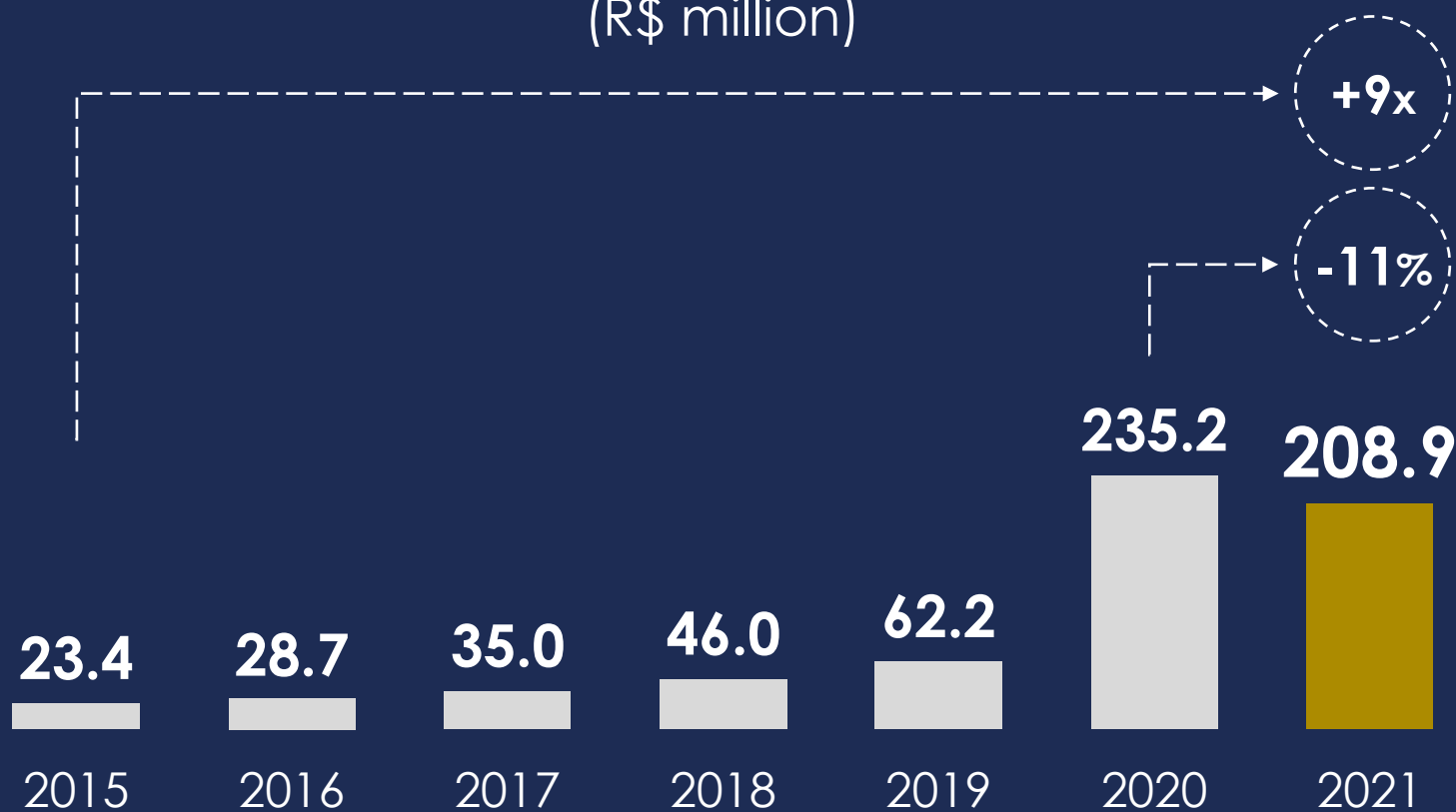
+7.5%
4

AVERAGE PRICE

+10.8%
R\$ 12.0

Exports have moved up since 2015!!! Downturn vs. 2020 is explained by higher international freight and non-recurring sales in 2020 related to humanitarian aid programs

Exports Gross Revenue (R\$ million)

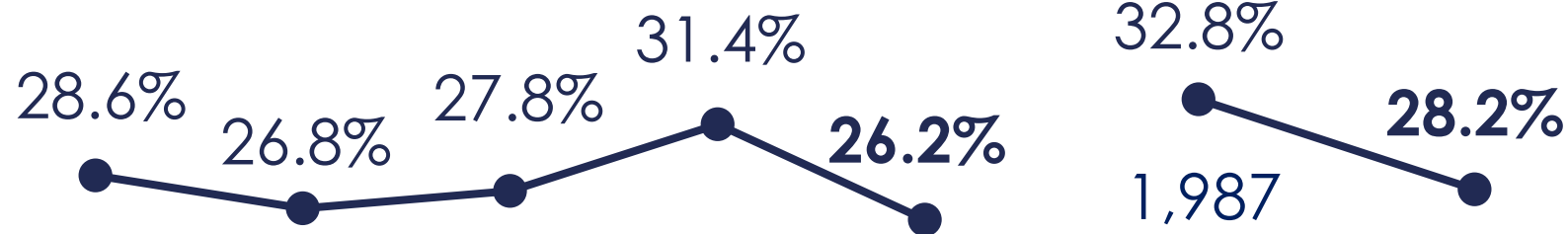


COSTS & EXPENSES

In the year and in the quarter, gross margin decreased due to the higher commodity prices and to the reduction in volumes

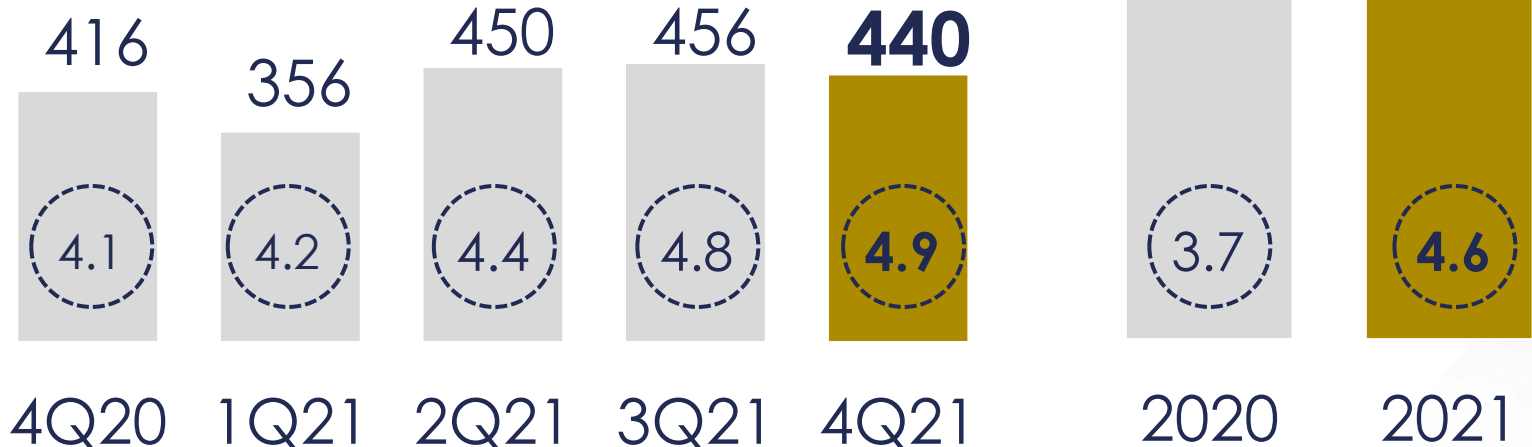
Gross Margin

(%)



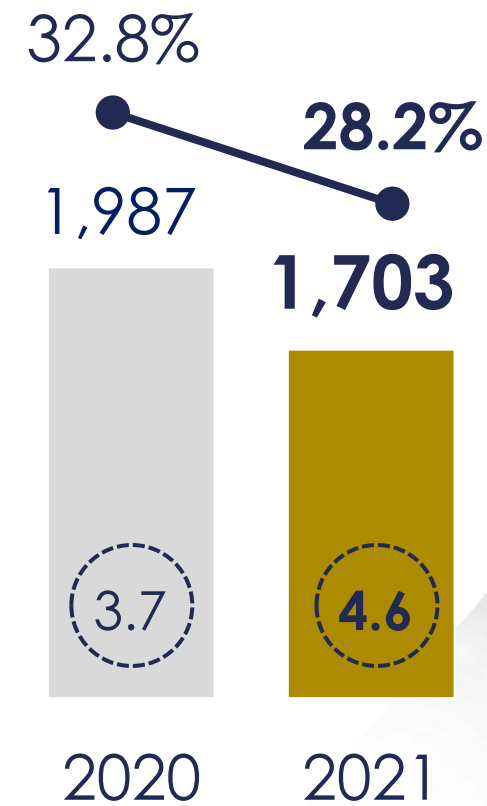
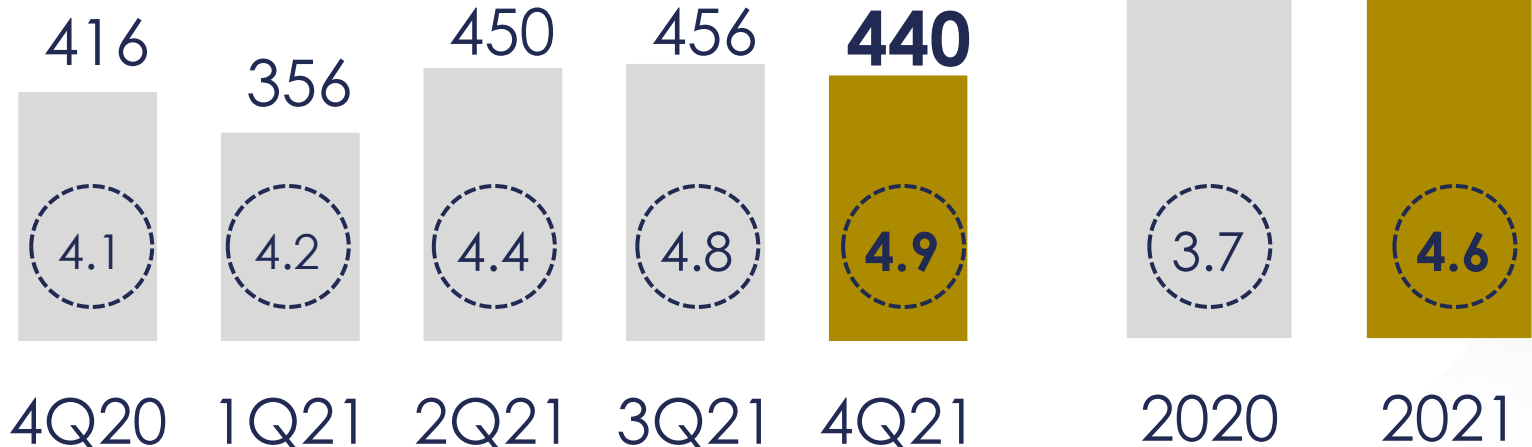
Volume

(Thousand ton.)



Average Price

(R\$/Kg)

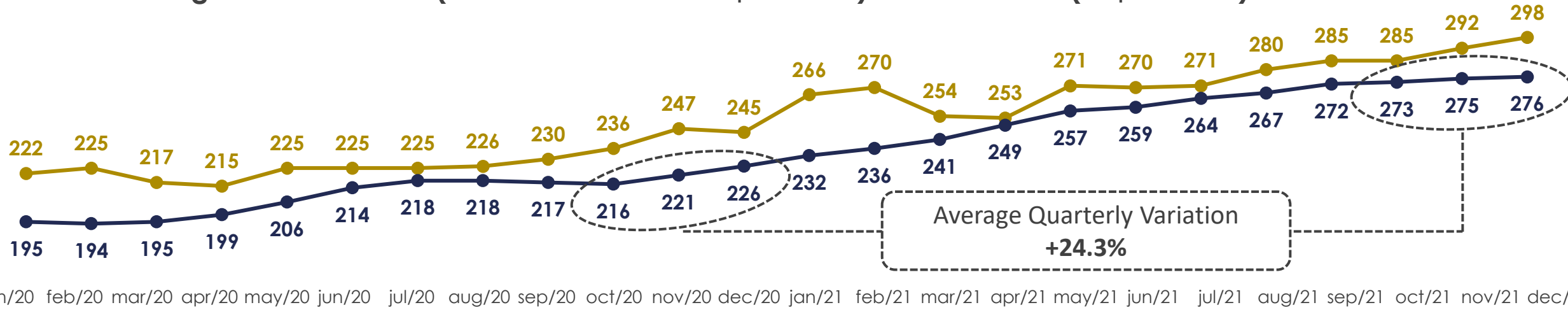


Wheat and Palm Oil: price Evolution (US\$ ton.)



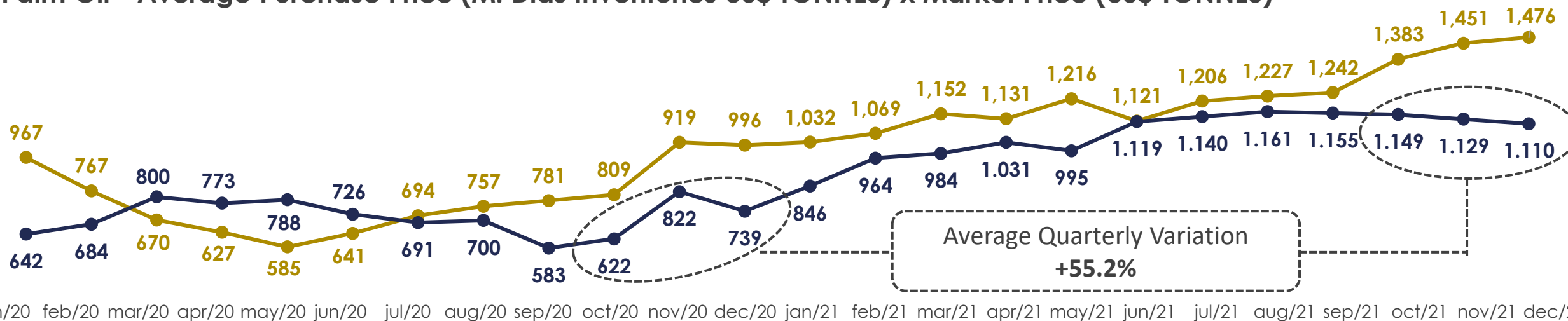
Wheat - Average Purchase Price (M. Dias Inventories US\$ TONNES) x Market Price (US\$ TONNES)

* Source: Safras & Mercado



Palm Oil - Average Purchase Price (M. Dias Inventories US\$ TONNES) x Market Price (US\$ TONNES)

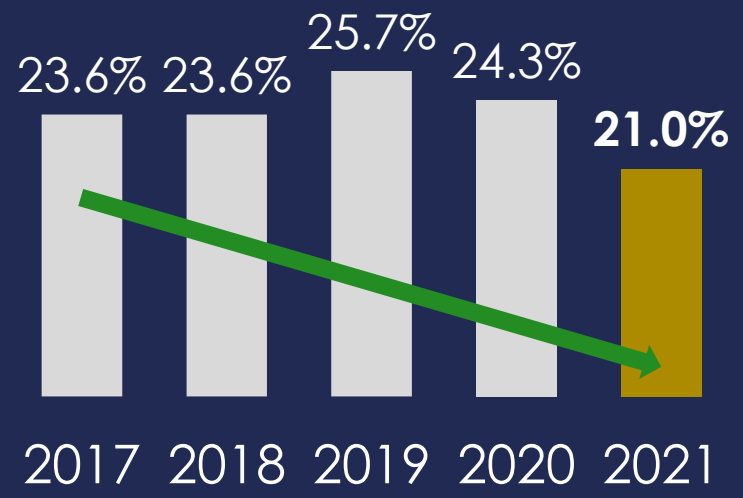
* Source: Rotterdam



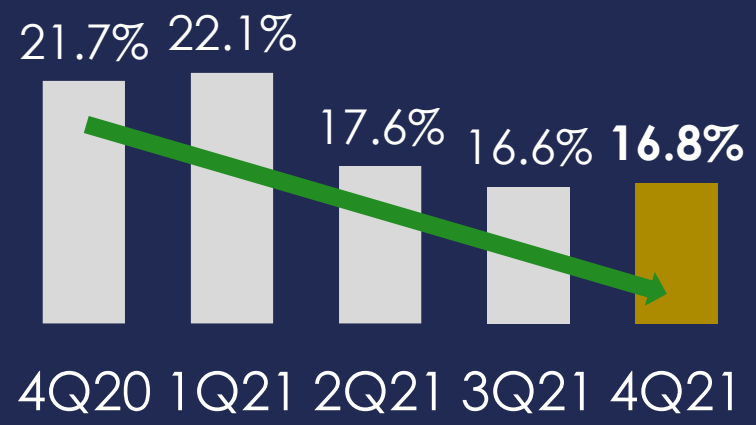
— Market* — M. Dias Branco

Productivity and efficiency projects conducted since 2020 contributed to the structural reduction of sales and administrative expenses | Annualized profits of R\$ 438 million from the Multiplique in 2020 and R\$ 80 million from the organizational redesign in 2021

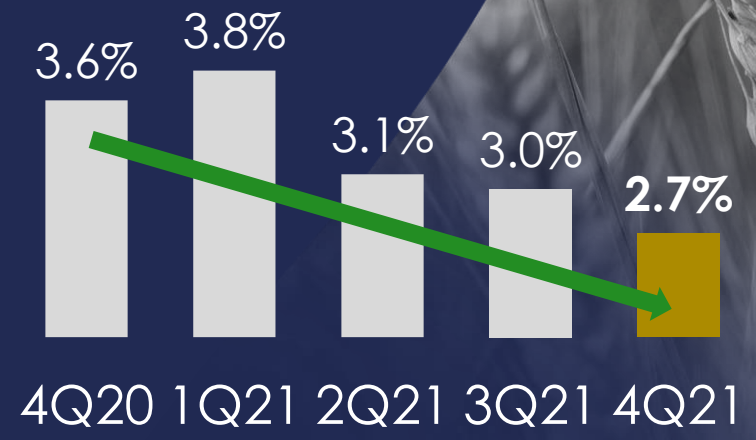
Sales + Administrative Expenses (% NR)



Sales Expenses (% RL)



Administrative Expenses (% RL)



EBITDA decrease in the year is explained by the lower volumes sold, by the increase in commodities in US dollars and by the devaluation of the Real

	4Q20	2020
EBITDA (R\$ million)	192.2	974.3
Operational Effects ⁽¹⁾	(24.7)	(130.8)
Subtotal	167.5	843.5
Exchange ⁽²⁾	13.3	(179.5)
Subtotal	180.8	664.0
Non-Recurring Gains ⁽³⁾	13.1	87.5
Expenses with COVID-19	(3.4)	(23.2)
Restructuring Expenses	(7.8)	(44.4)
EBITDA (R\$ million)	182.7	683.9
	4Q21	2021

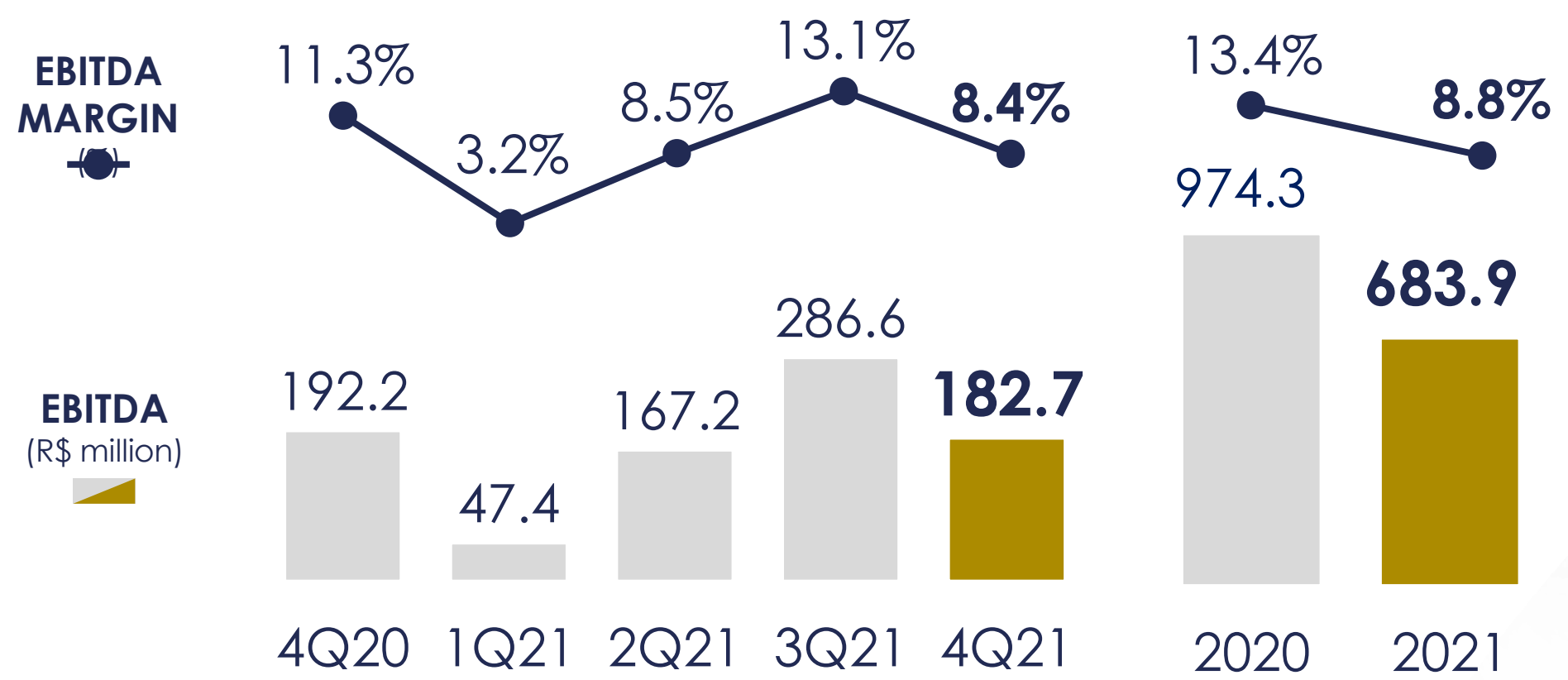
(1) Price Effect, Sales Volume, Recurring Expenses, Costs (without Exchange Effect) and Recurring Gains with Efficiency and Productivity Program.

(2) Impact of the Real against the Dollar. It does not take into account the price variations of commodities in Dollars.

(3) Revenues arising mainly from extemporaneous tax credits.

	4Q21 vs. 4Q20	2021 vs. 2021
Sales Volume	+5.8%	-14.3%
Production Volume	+6.9%	-14.4%
Wheat*	+24.3%	+23.1%
Palm Oil*	+55.2%	+49.2%

During the year and in 4Q21, the downturn of EBITDA margin is related to the unfavorable impact of the Real depreciation and the increase in commodities prices in US dollars on Gross Margin



CASH FLOW & DEBT



Working Capital Average Term

R\$ 284 million of available working capital, with a relevant contribution from the improvement of average payment terms and the use of recoverable taxes

Average term payment



Average term receivable

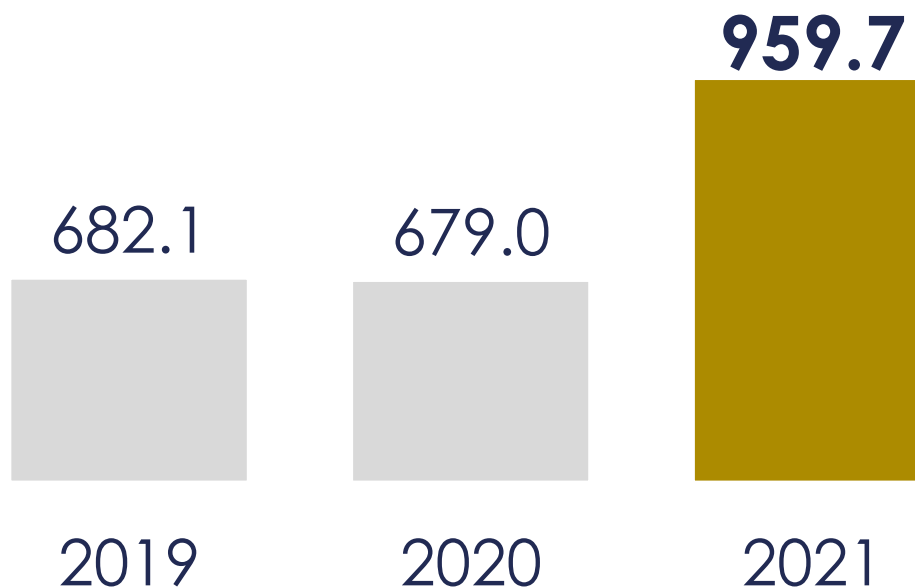


Average term inventory



R\$ 959.7 million of Net Cash Generated by Operating Activities in 2021, +41% vs. 2020. In 4Q21, R\$165 million (vs. R\$ -24.3 million in 4Q20)

Operating Cash (R\$ million)



Highlights Investments

	4Q20	4Q21	2020	2021
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Total (R\$ Million)	R\$ 66 (4% NR)	R\$ 73 (3% NR)	R\$ 222 (3% NR)	R\$ 208 (3% NR)
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Variation (%)	+10% (4Q21 vs. 4Q20)	-6% (2021 vs. 2020)
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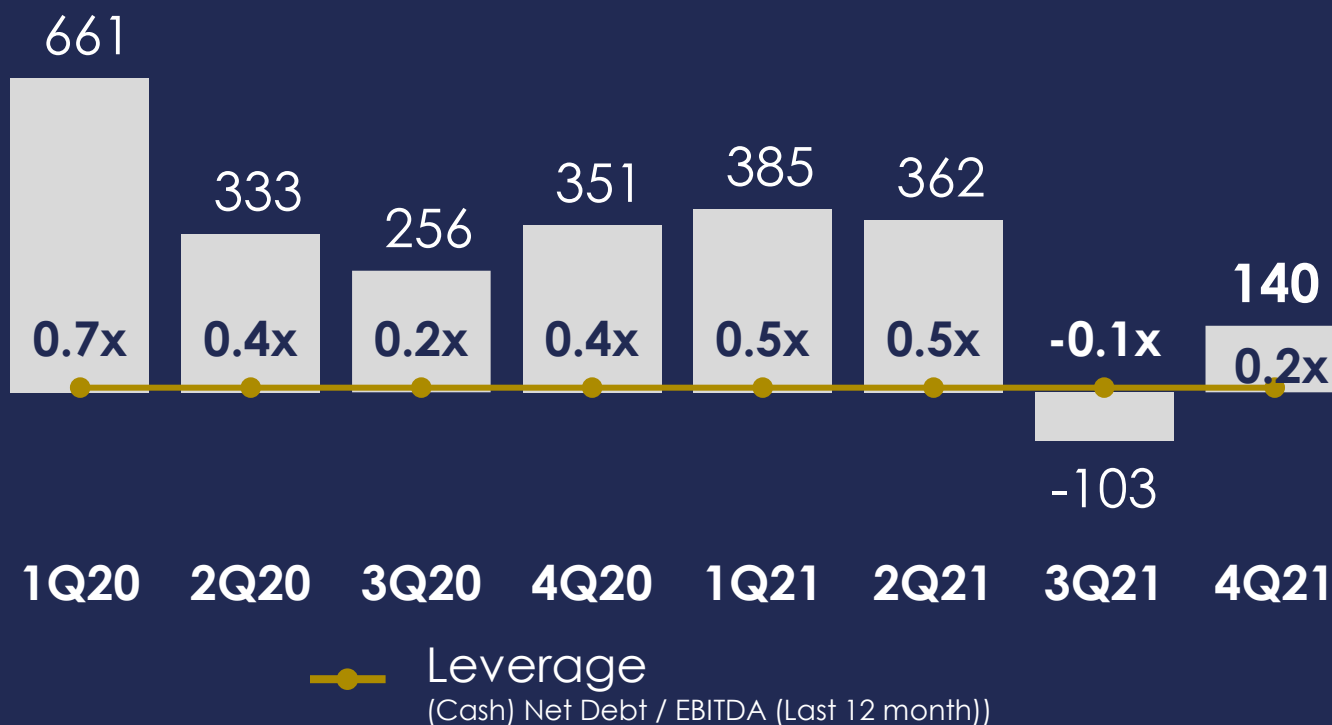
✓ **(i) acquisition of equipment for units in Bento Gonçalves (RS), Fortaleza (CE) and São Caetano do Sul (SP)**

✓ **(ii) adjustments in CDs in Rio de Janeiro (RJ) for storage of inputs and packaging**

✓ **(iii) investments in production management and information security systems at Fábrica Fortaleza (CE)**

We ended 2021 with 0.2x leverage and AAA Stable Outlook Rating reiterated by Fitch

(Cash) Net Debt (R\$ Million)
Leverage (X EBITDA)



**4TH YEAR
CONSECUTIVE**

AAA

Long-Term National
Rating Stable
Outlook
Reaffirmed by
Fitch Ratings*

* More information available at: [fitchratings.com](https://www.fitchratings.com)

2021 ACTION PLAN

Resumption of profitable growth

Sales Growth



1

Onda Verde
"Green Wave"



2

Partnerships



3

Exports



4

SKU
Optimization



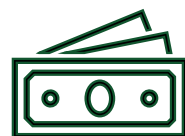
5

*Industrial and
logistics
Footprint*



6

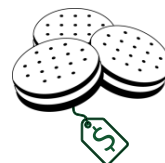
Corporate
Restructuring



Cookies & Crackers net revenue:
+14% (M. Dias Branco totals 7% in
Cookies & Crackers)



Significant marketing investment,
such as “Piraquê Snacks de batata
“A obra prima do batatismo”, new
line of snacks “Sabores di Buteco”,
national campaign “Criações
Originais”



Launches with high added value
such as Chocowafer; Potato
Snacks and Snacks flavors
Comida Di Buteco

New Partnerships



+176% sell-out growth on digital platforms



24 partners
(retailers and delivery apps)



We launched our official Piraquê, Adria and Vitarella stores on the open market

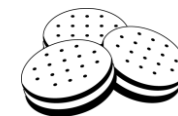
EXPORTS



9 new countries in 2021 and
46 active countries*



20 launches aimed exclusively at the foreign market



14% growth in volumes in the cookies & crackers segment

* countries that made purchases in 2021

Productivity
and
Efficiency

Optimization of the number of SKUs

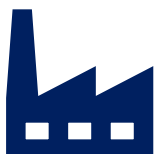


179 SKUs **DISCONTINUED**

(Goal 2021 >> 137 SKUs)

Productivity
and
Efficiency

Adjustment of the Industrial and Logistics Footprint



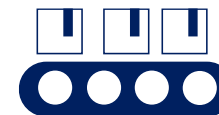
CONCLUDED

Closing of **2** of
the **32** CDs



IN PROGRESS

Renegotiation of
commercial
conditions with
logistics operators



SUSPENDED*

Readjustment of
production capacity,
going from 113 to 106
active production lines
for cookies and pasta



Productivity
and
Efficiency

Corporate Restructuring






R\$ 80 million

Recurrent and structural reduction of annualized personnel expenses, including own employees and third parties

KPI's (variation %)

4Q21 vs. 4Q20

2021 vs. 2020

	Energy Intensity (Kwh/Ton.)	-24.1%	-16.6%
	Water Consumption (m³/Ton.)	-6.5%	+5.1%
	Waste Recycling (%)	+3.4p.p.	+3.2p.p.
	Solid Waste Generation (Kg/Ton.)	-17.6%	-1.6%
	Accident Rate (Frequência)	-35.5%	-5.2%

OUR ACTIONS
CONTRIBUTE TO
THE UN SDGs:



HIGHLIGHTS

- **Implementation of the Occupational Health management system** (Positivo Program) in 73% of the industrial units;
- **We are members of the Todos à Mesa** charity movement, in which companies support the vulnerable population, **fighting hunger and food waste**;
- **ESG** was the topic of training and a podcast aimed at the internal public;
- The 2021 **Diversity Agenda** promoted lecturers, affirmative actions, and campaigns;
- Launch of the **Human Rights, Diversity, and Inclusion Policy**, with leadership training.
- Implementation of **psychological care and discussion groups**.
- Expansion of the **Corporate Volunteer Program “Fábrica de Voluntários”**.
- **We support more than 150 institutions** through donations, initiatives, and projects. All the communities near the 15 industrial units received product donations. **A total of 4,309 tons of food were donated.**



OUR COMMITMENTS UNTIL 2030

- ✓ Water consumption reduction to 0, 40 m³/t product;
- ✓ Reutilization of 30% of the water consumed;
- ✓ Zero waste sent to landfills;
- ✓ Recovery of 28% of post-consumption packaging;
- ✓ Reaching science-based targets for absolute greenhouse gas (GHG) emissions reductions scope 1 and 2;
- ✓ Adoption of two, carbon neutral seal product brands;
- ✓ Use of renewable energy of 90% from scope 2;
- ✓ Use of 100% recyclable and/or postable and/or biodegradable finished product plastic packaging;
- ✓ Reduced input losses in the production process by 25%;
- ✓ Reduced finished product waste by 50%;
- ✓ 150,000 people impacted by the program to promote entrepreneurship and professional training for the food sector in the nearby communities;
- ✓ 80% in employee satisfaction index evaluated in an external survey;
- ✓ 40% women in leadership;
- ✓ Accident frequency rate no higher than 0.5 (own employees);
- ✓ Severity rate at no more than 8 (own employees);
- ✓ Market share leadership in four categories with health and nutrition attractions;
- ✓ 10 million people impacted by the nutrition education program for the population;
- ✓ 80% of purchases from local suppliers.


M. Dias Branco

Thanks!



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youtube.com/rimdias



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M. Dias Branco

Q&A



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PIRAQUÊ • ASSADO FININHO CROCANTE • SNACKS DE BATATA

A OBRA-PRIMA DO

BATATISMO

de 1950 since 1

piraquê

SNACK DE BATATA ORIGINAL

ASSADO FININHO E CROCANTE

Pesa Líq./ Neto /Net Wt: 60 g

SNACKS DE BATATAS PIRAQUÊ

SNACKS DE BATATAS PIRAQUÊ • ASSADO FININHO CROCANTE • SNACKS DE BATATAS

SNACKS DE BATATAS PIRAQUÊ ASSADO FININHO CROCANTE